



FIRST THINGS FIRST

The right system for bright futures

FIRST THINGS FIRST, COMPENSATION AND RETENTION REQUEST FOR GRANT APPLICATIONS, #FTF-STATE-10-0037-00 FACT SHEET

WHAT IS THE FIRST THINGS FIRST, COMPENSATION AND RETENTION GRANT?

Early care and education teachers and directors receive compensation that is below what is considered a livable wage. The median hourly salary of Arizona early care and education teachers is \$9.75 or \$20,280 annually as reported in “A Decade of Data: The Compensation and Credentials of Arizona’s Early Care and Education Workforce” (2008); the Federal poverty level is \$21,200 for a family of four. Low wages present a major barrier to encouraging high-quality, well-educated, and well-trained personnel to enter and remain in the field. As described in the Statewide Needs and Assets Report, *Building Bright Futures* (2007), limited resources are available to assist with wage increases. Financial barriers to improved wages include: lower than market rate DES subsidies, few incentives to hire and retain highly qualified staff, and communities where child care costs are at the limit of what the market can bear. Program providers cannot pay their staff more without raising costs to families which decreases affordability, and consequently, the availability of care. The high rate of turnover within early childhood professions puts young children at risk of receiving lower quality care in environments where caregivers often change.

The connection between higher wages for the early care and education workforce and improved retention is clear. In North Carolina where a wage enhancement program has been implemented, turnover rates have been reduced from 31 percent prior to 2003 to 18 percent in 2006-2007 (Child Care Services Association, 2007). The challenge, however, remains one of affordability. If programs are to increase salaries, financial supports, usually in the form of tuition for care, also must increase. Such increases could drive the cost of care far beyond what is affordable by families who are most in need. Several states have addressed this challenge by subsidizing wage enhancements or salary stipends in the form of compensation and retention incentives to the early childhood workforce.

WHAT WILL THE REQUEST FOR GRANT APPLICATIONS (RFGA) FUND?

Statewide grant dollars will fund the establishment of an administrative home to provide oversight and implementation of a compensation and retention program. The administrative home would be responsible for program design, implementation, and marketing; distribution, review, and decision-making of applications; incentive distribution; database management; program and fiscal monitoring; and reporting activities. A

qualifying applicant must have a statewide reputation in early care and education as well as a proven ability to manage and monitor large-scale statewide programs.

WHAT IS THE TOTAL AMOUNT OF FUNDING AVAILABLE?

This is a twelve (12) month contract with an option for renewal for two (2) additional twelve (12) month periods. Total funds available are approximately \$291,670 for the first funding period. First Things First reserves the right not to award the entire amount of available funds or to award an amount that is greater than the posted available funds. Renewal will be contingent upon satisfactory contract performance, evaluation and availability of funds. In order to ensure adequate coverage of First Things First requirements, a single award will be made.

The anticipated contract period for any resultant grant will be July 1, 2009 to June 30, 2010.

WHO IS ELIGIBLE TO APPLY FOR THESE FUNDS?

First Things First awards grants to:

- Non-profit 501 (c) (3) organizations providing services in Arizona (both secular and faith-based)
- Units of Arizona government (local, county and state entities as well as schools and school districts)
- Federally recognized Tribal governments or entities providing services within Arizona
- Arizona institutions of higher learning (colleges and universities, including Tribal Colleges)
- Private organizations providing services in Arizona

All potential Applicants must demonstrate organizational, fiscal and programmatic capacity to meet the requirements described in the scope of work listed in this RFGA.

PROPOSED TIMELINE FOR THE GRANT MAKING PROCESS

March 18, 2009	Notice of Intent/Fact Sheet available to the public
March 18, 2009	RFGA available on-line
April 1, 2009	Pre-application Conference from 1pm to 3pm, 8 th floor board room at First Things First, 4000 N. Central, Ste. 800, Phoenix, AZ 85012
April 29, 2009	Applications due to the First Things First office by 3:00 p.m.
July 1, 2009	Anticipated grant awards made

HOW TO GET A COPY OF THE RFGA.

Please visit the First Things First web site on or after March 18, 2009:
<http://www.azftf.gov/WHATWEDO/FUNDING/Pages/StatewideGrants.aspx>

QUESTIONS?

After March 18, 2009 all questions must be submitted in writing to Grants at (602) 265-0009 or grants@azftf.gov